

Overview of new health reforms launched in Kenya in 2023



In October 2023, Kenya witnessed an unprecedented political moment and a sign of commitment towards achieving Universal Health Coverage (UHC), when President William Ruto signed into law a series of bills aimed at strengthening the legal basis for health financing and health service provision through strong primary health care systems. These include the 1) Primary Health Care Act, 2023 2) Social Health Insurance Act, 2023 3) Facility Improvement Financing Act, 2023 and 4) Digital Health Act, 2023 These laws are aimed at reducing disparities in health outcomes and promoting a healthier society by ensuring that all citizens have access to essential health care services in an equitable manner, regardless of their socioeconomic status, gender, ethnicity, or geographical location This brief provides a summary of the key provisions of these laws, shining a light on commitments by government to improving health policy and financing environment to deliver health for all.

1. Primary Health Care (PHC) Act

The PHC Act aims to establish a comprehensive framework for the delivery, access, and management of primary health care in Kenya. This framework will create a well-structured primary health services delivery framework at both county and sub-county levels, ensuring equitable distribution of resources and health services. It articulates a vision for reorganizing PHC through primary care networks (PCN) and formalizing the delivery of community health through community health promoters organized in community health units The legislation guides the governance of primary health care implementation through formation of a Primary Health Care Advisory Council at the National Government level, which will guide both the national and county governments in implementing primary health care services. Additionally, County Primary Health Care Advisory Committees will be established at the county level to effectively implement primary health care through resource mobilization, advocacy, and planning and development of primary health care service delivery. Its objectives include promoting and fulfilling the rights of all individuals in Kenya to the highest attainable standards of health care, promoting the implementation of primary health care

through a systematic approach, and clear delineation of roles for all stakeholders to achieve universal health coverage. The legislation recognizes the role of the Multi-Disciplinary Team in delivering primary health care services, as well as the importance of community health officers, community health assistants, and community health promoters in providing community-based primary health care services.

2. Facilities Improvement Financing (FIF) Act

The FIF Act provides health facilities with financial autonomy to manage revenue collected through user fees, insurance payments, and other sources. It aims to structure and harmonize the process as well as guide counties on how to provide for retention, management and use of revenue, derived from health-related services rendered at public health facilities.

Previously, revenue from primary health facilities were consolidated in the County Revenue Fund. This often resulted in delayed disbursements or diversion of funds from primary health care facilities for county expenditures outside of health. Now aligned with the Public Finance Management Act of 2012, the FIF stipulates that facilities can retain all revenue they generate in their own accounts, as well as any unspent funds at the end of the fiscal year. This should prevent county treasuries from taking back all unspent funds and ensures residual rights over revenue generated. The FIF Act takes away the need for each county to pass enabling legislation to grant facilities financial autonomy, an arduous and time-consuming task. It also integrates facilities into financial management information systems and routine budget implementation reports, giving facilities greater legitimacy and visibility within Kenya's PFM architecture. Finally, the Act emphasizes ongoing monitoring of its implementation, setting the stage for greater learning and knowledge-sharing on best practices.

The FIF Act is modeled off a model law developed earlier in 2023 by the Council of Governors in partnership with PATH and other partners, representing a successful example of subnational adaptation and adoption of national level legislation.

3. Social Health Insurance (SHI) Act

The Social Health Insurance Act provides a framework for managing social health insurance as per Article 43(1)(a) of the Constitution. It is a social health insurance scheme that provide financial protection and equitable access to health services by expanding health insurance coverage to all Kenyans ensuring that all citizens of Kenya can access affordable and comprehensive health care services regardless of their employment status. It abolishes the National Health Insurance Fund and establishes the Social Health Authority whose role is to manage three newly created funds.

- **Social Health Insurance Fund:** It aims to provide financial protection for citizens by pooling resources. It aims to reduce the currently low health insurance coverage that stand at 26 per cent, with those at the bottom of the economic pyramid having the least coverage of less than 5 per cent, exposing many Kenyans to catastrophic expenditures from out-of-pocket healthcare payments, **Primary Health Care Fund:** This fund supports essential health services at the community level.
- **Chronic, Emergency and Critical Illness Fund:** This fund addresses specific health needs related to chronic illnesses and emergencies.
- **The Social Health Insurance Fund (SHIF) -** Replaces the National Health Insurance Fund (NHIF) setting forth a comprehensive strategy to revamp Kenya's healthcare financing system. This legislation aims to address the longstanding issues that have plagued the National Health Insurance Fund (NHIF) while simultaneously expanding the scope of health insurance coverage equity focused strategy for publicly financing health care by expanding the scope of health insurance coverage.

4. Digital health Act

The Digital Health Act aims to establish a comprehensive integrated digital health information system, data governance, and protection of personal health information. The Act promotes telemedicine and digitalization of health services by reducing manual transactions. It facilitates the use of technology to enhance healthcare delivery and accessibility while also provide e-health services to clients while ensuring the highest possible quality of care is delivered and that the agents of the e-health service provider adhere to the provisions of the Act. The processes and technical aspects of the system shall be guided by principles such as confidentiality, security, and privacy, scalability and interoperability, accuracy, responsiveness, and reliability, efficiency and effectiveness, redundancy, transparency, simplicity and accessibility, and consistency in use. The Act establishes the Digital Health Agency which will guide the development of a framework for provision of digital health services, establish a comprehensive integrated digital health information system, support data governance and protection of personal health information, and promote service delivery through digital health interventions and e-waste.

Conclusion

The signing of these Acts reflects the government's commitment to providing quality healthcare for all, leaving no one behind. The collective effort behind these laws is to emphasize the importance of a system that safeguards families from suffering catastrophic expenditures in health. While all these laws enshrine government's commitments to accelerating UHC, it's important that they are actually implemented and enforced through adequate dissemination at national level and that clear regulations and resourcing plans are put in place, to support operationalization at the national and county level.